# J. GILBERT PARRISH, JR. ATTORNEY AT LAW

65 COURT STREET, SUITE 1 2. [] 7
SAVANNAH, TENNESSEE 38372

(731) 925-1966 T.R.A. DOCKET ROOM Chk # 13626

Amount 25.90

Rovd By 47

Date 4-19-04

(731) 925-1130

E-MAIL: Boxster@centurytel net

April 15, 2004

Debra Taylor Tate, Chairman Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37243

RE: Foothills Utilities, Inc.

Dear Commissioner Tate:

I am enclosing herewith a Petition and supporting documents for Foothills Utilities, Inc , to obtain a Certificate of Convenience and Necessity After reviewing the Petition, if there is any additional information which is needed please do not hesitate to give me a call

Very Truly Yours

J. Gilbert Parrish, Jr.

JGP/jl

Enclosure

#### BEFORE THE TENNESSEE REGULATORY AUTHORITY

IN RE: APPLICATION OF FOOTHILLS UTILITIES, INC.	No	
PETITION		_

The petitioner, FOOTHILLS UTILITIES, INC. would respectfully show to the Authority as follows:

- 1. That it is a Tennessee Corporation duly formed on November 12, 2003 with its principal place of business located 103 Regal Tower, Maryville, TN, 37701.
- 2. That it is a public utility as defined in T.C.A. 65-4-101 and subject to the regulations of the Tennessee Regulatory Authority. The stock of said utility is privately owned and the utility is not owned or operated by any municipal form of government.
- 3. That as a public utility it seeks a Certificate of Convenience and Necessity from this Authority.
- 4. That it desires to operate as a private utility company and provide sewer services in Blount County, Tennessee.
- 5. That it anticipates providing sewer services in Blount County, Tennessee in the service area identified on Exhibit (1) attached to this petition. A need exists for the creation of the utility as existing residences have marginal sewer systems and the same is need to provide sewer services where area and soils will not permit subsurface sewer systems
- 6 That the State of Tennessee Department of Environment and Conservation

  Division of Water Pollution Control has approved the installation of an AdvanTex

System to treat all waste water and dispose of the same. Said approval is attached as Exhibit (2) to the petition.

- 7. That sewer services are not available by any other utility company in the proposed service area. Attached as collective Exhibit (3) and attached to this petition are letters from the existing utility companies in Blount County and the County Mayor reflecting that they have no interest in providing sewer services in the proposed service area.
- 8. The petitioner has agreed to engage the services of Jerry Moss as a certified operator of said utility who holds state license #12796.
- 9. The petitioner has prepared a proposed application for customers which is attached as Exhibit (4).
- 10. The petitioner has prepared a proposed budget which reflects the anticipated construction cost, anticipated revenues, and expenses to operate said utility. Said proposed budget is attached as Exhibit (5).
- 11. The petitioner would submit the proposed Tariff attached as Exhibit (6) for approval by the Authority.
- 12. The location for the proposed sewage treatment plant is reflected on the survey of Ricky M Younger, RLS #422. Said survey is attached as Exhibit (7).
- 13. The principal stock holder of said utility will be Harold Gilbert King, Jr. who resides at 261 Hannum, Alcoa, Tennessee 37701.
- 14. The copy of the approved engineered plans for said utility company are available for review.

#### WHEREFORE, PETITIONER PRAYS:

- That the Tennessee Regulatory Authority grant a certificate of necessity and convenience
  - 2. That the a Tariff be approved for the petitioner.
  - 3 That this matter be set for a hearing.
  - 4. For such other relief as it may be entitled to.

Respectfully submitted, this / day of April, , 2004.

GILBERT PARRISH, JR.

Attorney for Petitioner 65 Court Street Suite 1 Savannah, TN 38372

(901) 925-1966

FOOTHILLS UTILITIES, INC

Harold Gilbert Kirth, Jr., President











# STATE OF TENNESSEE DEPARTMENT OF ENVIRONMENT AND CONSERVATION DIVISION OF WATER POLLUTION CONTROL 401 CHURCH STREET L & C ANNEX SIXTH FLOOR NASHVILLE TN 37243-1534 (615) 532-0625

August 28, 2003

Mr. Robert J Colvin, P.E. Robert J Colvin 327 kenmark Drive Maryville, TN 37803

Re

Laurel Valley Resort Wastewater System

**Blount County** 

Water Pollution Control Number 03-0126CO

Project: Laurel Valley Resort Wastewater Treatment plant

Dear Mr Colvin

The Tennessee Department of Environment and Conservation, Division of Water Pollution Control, acknowledges the receipt of four (4) set(s) of construction documents on August 14, 2003.

The project consists of Replacement a recirculating sand filter bed to AdvanTex System.

Approval is granted in accordance with certain requirements of the Water Quality Control (WQC) Act of 1977 and Regulations of the Water Quality Control Board. The SITE set of plans and specifications will be stamped with the APPROVAL and APPROVAL EXPIRES STAMPS on the cover sheets only. Any indication of tampering with the bound set of documents will be subject to investigation and prosecution. One complete set of construction documents, bearing the official stamp, must be kept at the construction site.

Approval of these construction documents should not be construed as a permit for any activities related to this project. Activities which may require a permit under the WQC Act and Regulations include, but are not limited to, the following: stream bank vegetation removal; creek crossing(s) for equipment or utility lines, construction within twenty (20) feet of a stream bank; or construction in or near a marshy area or wetland. The Natural Resources Section of the Division of Water Pollution Control (615/532-0625) should be contacted for determinations regarding an NPDES permit or an Aquatic Resource Alteration Permit (ARAP) for those activities, which may result in degradation of waters of the state.

Approval expires one year from the stamped approval date unless construction is either underway or complete. Any request for extension must be made prior to this expiration date. Significant deviations from the approved plan documents must be submitted and approved in writing before such changes are made. Minor changes made during construction need not have prior written approval Modifications,

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however, may be required by this Department should the changes be deemed inappropriate. It is advisable, therefore to obtain prior approval in cases where the significance of the change is uncertain.

The Division of Water Pollution Control is authorized to inspect the construction work to verify compliance with the approved plans and specifications, which are on the site. <u>Therefore, the engineer shall notify the Knoxville Field Office (865-594-6035) of the start of construction.</u>

To expedite matters, please reference the assigned Water Pollution Control number on any future correspondence. If we may be of any assistance, please contact us at (615) 532-0625.

Sincerely,

Adnan Bahour

Municipal Facilities Section

Division of Water Pollution Control

Adraw Bahoun

Enclosure

cc. Blount County

City of Townsend

TDWPC - Knoxville Field Office



# Beverley D. Woodruff Blount County Executive 341 Court Street, Maryville, 7N 37804-5906



## EXHIBIT (3)

February 19, 2004

Mr. Gil King Foothills Utilities, Inc. P O Box 307 Alcoa, TN 37701

Dear Mr. King.

This will acknowledge your request to the County that it provide sewer service to Laurel Valley, a commercial and residential development located in Townsend off Old Tuckaleechee Road.

The County has no desire, nor plans, to provide sewer service to Laurel Valley.

Sincerely,

Beverley D. Woodruff
Blount County Mayor

рj

Phone: (865) 273-5700
email: bwoodruff@mail.blount.state.tn.us

# TUCKALEECHEE UTILITY DISTRICT OF BLOUNT COUNTY P.O. BOX 58 TOWNSEND, TENNESSEE 37882 (865) 448-2230

Gil Kıng Foothills Utilities, Inc. P.O. Box 307 Alcoa, Tn 37701

February 20, 2004

Dear Mr. King,

This will acknowledge your recent request to Tuckaleechee Utility District that it provide sewer service to Laurel Valley, a commercial, residential development located in Townsend, off Old Tuckaleechee Road.

Please be advised that Tuckaleechee Utility District does not desire and has no plans to provide sewer service to Laurel Valley.

Sincerely Yours,

Neal Hutchens General Manager

Tuckaleechee Utility District

# Foothills Utilities, Inc.

 □ PARTNERSHIP

□ CORPORATION

#### APPLICATION AND CONTRACT FOR SERVICE

AFFLICATION AND CO	1	K SERVICE	
APPLICANT'S NAME (Please Print)			
THE PROPERTY OF TAXABLE (Trouble Trime)	FIRST	MIDDLE	LAST
SERVICE ADDRESS	I I		LAGI
Street, Road, Box an	d/or Fire Road Nun	nber	<del>_</del>
SUBDIVISIONLC	OT NO 💷		
BILLING ADDRESS			
Street, Route or Box	City State		<del>-</del>
PREVIOUS ADDRESSPHO	NE NUMBER_		
DRIVERS LICENSE NO. SOCI	AL SECURITY	7 NO	_
EMPLOYER HOV	V LONG?		<u> </u>
SPOUSE	· 1		-
First Middle	Last	Maiden	
CONSUMER INFORMATION	1		
DO YOU OWN PROPERTY WHERE SERVICE IS	REQUESTED	? □YES □NO	
IF NO, WHO DOES			<u></u>
	NE NO.		_
HAVE YOU EVER RECEIVED SERVICE FORM		INC. BEFORE?	
YESNOWHENLOCATION	1		_
UNDER WHAT NAME?			_
CREDIT REFERENCES 1.			
2			<u> </u>
WITH WHAT UTILLET DID TOU			
LAST HAVE UTILITY SERVICE_			
SERVICE INFORMATION			
	ommercial		
IF COMMERCIAL, LOAD FACTORS SEWER	R GALLONS PI	ER MONTH	_
IF RESIDENTIAL			
WHAT TYPE? HOUSE APT. MOBILE HO	OME (Par	kor Single Lot_	)
AGREEMENT			
The applicant hereby agrees to comply and be bound w	outh and be subject t	o all Federal and State La	iws, City Ordinances
and Resolutions, Foothills Utilities Inc. and Public Works Department	nent Rules and Reg	ulations	
If accepted, this application shall constitute a contract t	for services between	said annlicant and Footh	ulls Utilities Inc
	}		
I, the undersigned, do hereby understand and agree to t	he above requireme	ents All customers agree	to pay for services in
accordance with Foothills Utilities Inc scheduled and approved To the Tennessee Regulatory Authority	aritt and Schedule o	of Rates, Terms and Cond	litions as approved by
are remeased regulatory reasonly	,		
TERMINATION OF SEWI	ER SERVICE A	GREEMENT	
FOOTHILLS UTILITIES, INC. MAY HAVE SEWER SERVICE	S TERMINATED	IF APPLICANT FAILS	TO PAY CHARGES
FOR SEWER SERVICES WITHIN 30 DAYS OF THE DUE DA	TE I THE UNDER	SIGNED APPLICANT O	CONSENT TO SAID
TERMINATION OF SEWER SERVICES IF I FAIL TO PAY SE	WER CHARGES V	WITHIN 30 DAYS OF T	HE DUE DATE
	1		
	!		
SIGNATURE OF ARRUGANT PROBLEM			<del></del>
SIGNATURE OF APPLICANT – INDIVIDUAL	DAT	E	_
SIGNATURE OF APPLICANT – INDIVIDUAL	DAT	Е	_
	DAT	Е	_
SIGNATURE OF APPLICANT – INDIVIDUAL NAME OF CORPORATION	DATI	Е	_
		E SISTING APPLICA	

# Foothills Utilities Inc.

## **Sewer System**

#### **Construction Costs:**

Collection System		
Treatment Facility		
Engineering Costs		

\$ 26,640 01 \$ 81,188 00 \$ 9,190.64

\$117,018.65

# **Depreciation / Replacement Cost**

	50 yrs	20 yrs	10 yrs
Land Earthwork Equipment	\$ 25,000 00 \$ 15,679.00		\$ 64,678 00
Engineering Piping	<del></del>	\$ 11,070 00 \$ 25,591 65	
	\$ 15,679.00	\$ 36,661 65	\$ 64,678 00
	/ 50 yr	/ 20 yr	/ 10 yr
	\$ 313 58	\$ 1,833 08	\$ 6,467.80

Total Depreciation	/ Replacement Per Year
--------------------	------------------------

\$ 8,614 46

# **Treatment System Capacity**

19 Fairway Vista Residential lots @250 gai/day	4,750	gpd
Clubhouse/restaurant @40gal/seat X 100gpd seat	<u>4,000</u>	gpd
	8,750	gpd

Design Capacity 10,000 gallons per day

#### EXHIBIT (5)

#### Rate Structure

#### Debt Service + Operation & Maintenance + Depreciation

80% of Design gallons

Debt Service 0

Operation & Maintenance \$ 10,169 00

Depreciation \$ 8,614 46

\$18,783 46

Design Gallons =  $10,000 \text{ gpd } \times 365 \text{ day } \times 0.80 = 2,920,000 \text{ gals year}$ \$18,783 46 / 2,920,000 = 006432 gal or \$6.43 per 1,000 gallons

#### **Proposed Rate**

#### Residential

Monthly Flat Rate \$35 00

Connection Fee \$750 00

#### Commercial

Minimum bill \$15 00

Connection Fee \$1,500 00

Metered water \$8 74 per 1,000 gal

#### Estimated Revenue for First Year of Operations

Fairway Vista 3 homes at 250 gpd

750 gpd x 365 days = 273,750 gal year

3 Homes Flat Rate = \$1,260 00

3 residential connection fees =\$2,250 00

Clubhouse 100 seats at 40 gpd

4,000 gpd 365 days = 1,460,000 gal year

1,460,000 divided by 1,000 = 1,460 gal x \$8 74 = \$12,760 40

1 nonresidential connection fee = \$1,500 00

Fairway Vista \$1,260 00 usage

\$2,250 00 connection fee

Clubhouse \$12,760 40 usage

\$ 1,500 00 connection fee

\$17,770 40

#### **TARIFF OF**

Foothills Utilities, Inc.

**CONSISTING OF** 

SCHEDULE OF RATES, TERMS, AND CONDITIONS

**FOR** 

SANITARY SEWER SERVICE

APPLYING TO

FOOTHILLS UTILITIES, INC., ALCOA, TENNESSEE

NO MODIFICATION OF THESE SCHEDULES SHALL BE MADE EXCEPT FOR THE PURPOSE OF CANCELING OR SUPERSEDING PREVIOUSLY ISSUED SCHEDULES

Issues By: Foothills Utilities, Inc.

Address: 261 Hannum Street P.O. Box 307 Alcoa, Tennessee 37701 (865) 982-5115

TENNESSEE REGULATORY AUTHORITY
460 James Robertson Parkway
Nashville, Tennessee 37243-0505
(615) 741-2904

Issue Date:

Effective Date:

#### **RULES AND REGULATIONS**

Governing the Sewerage and Sewage Treatment Systems of

Foothills Utilities, Inc.

#### STATEMENT OF PURPOSE

The general purposes of these rules and regulations are:

- 1. To establish procedures for furnishing sewage and sewage treatment Services on a uniform basis to customers within the service boundary of the Foothills Utilities, Inc.
- 2. To provide standards and procedures for:
  - a. Acceptable sewage characteristics
  - b. Excessive sewage volume
  - c. Engineering design standards
  - d. Construction and inspection requirements
  - e. Quality of materials

#### **DEFINITION OF TERMS**

- 1. Corporation shall mean Foothills Utilities, Inc.
- 2. Engineer- shall mean the consulting engineer of Foothills Utilities, Inc.
- 3. Customer shall mean any person, firm, corporation, association or government unit furnished sewerage by the Corporation.
- 4. Property shall mean all facilities owned and operated by the Corporation.
- 5. Authority shall mean the Tennessee Regulatory Authority.

- 6. Sewer Main shall mean a sewer pipeline that receives sewage from branches, runs adjacent to roadways and terminates at the sewage treatment plant, or a major lift station.
- 7. Trunk Sewer shall mean a sewer that runs parallel to a natural drainage channel and receives sewage from any tributary branches and terminates at the sewage treatment plant.
- 8. Collector Sewer shall mean those sewers lines running within the service area and conveying the sewage, to the trunk sewer on the main by pressure or gravity.
- 9. Lateral Sewer shall mean those sewers extending from the Collector Sewer to the property line of the customer.
- 10. Building Sewer shall mean that sewer piping, gravity, or pressures extend from the Customer's property line to his place of business or residence.

#### **AUTHORIZATION OF RULES AND REGULATIONS**

The Fo	oothills Utilities, Inc., a corporation organized and engaged in business as a
private utility	in the State of Tennessee under a certificate of Convenience and Necessity
issued by the	Tennessee Regulatory Authority on or about date xx,2003 under Docket
No.	submits the following statement of its rules and regulations.

#### EFFECTS OF RULES AND REGULATIONS

All provisions of these rules and regulations shall be incorporated in each contract with each sewerage Customer of the Foothills Utilities, Inc.

#### <u>UTILITY ITEMS ON PRIVATE PROPERTY</u>

The Corporation shall not furnish or maintain any items or appurtenances for sewer service on the customer's premises without execution of an agreement for an easement or encroachment. No property of the corporation shall be located on the premises of customers except sewer shut-off values maintained by the Corporation. Filter(s), clean outs, and tank(s) shall be located on the customer's property and maintained by the customer.

#### **DISCONTINUANCE OF SERVICE**

Service under any application may be discontinued for the following reasons:

- 1. Non-payment of bill as hereinafter set forth.
- 2. For misrepresentation in the application.
- 3. For adding to the Property or fixtures without notice of Corporation.
- 4. For failure to protect the connections, service lines or fixtures in good order.
- 5. For molesting any service pipes or any property of the Corporation in any way whatsoever.
- 6. Vacancy of premises.
- 7. For violation of any rules of the Corporation.
- 8. For disconnecting or re-connecting service by any party other than a duly authorized agent and/or approved service provider of the Corporation without the consent of the Corporation.

#### **NON-PAYMENT PENALTIES**

All customers located within the service area are provided water by the TUCKALEECHEE Utility District of Blount County, Tennessee. Foothills Utilities, Inc. may have sewer services terminated if monthly bill is not paid within 30 days of due date. No service shall be turned on again if discontinued for non-payment (or any valid reason) until all outstanding charges have been paid.

#### CHANGE OF OWNERSHIP, TENANCY, OR SERVICE

A new application and agreement must be made and approved by the Corporation on any change in ownership of property, or in tenancy, or in the service as described in the application. In the event of failure of a new owner or tenant to make such application, the Corporation shall have the right to discontinue service until such new application is made and approved.

#### **RETURN CHECK CHARGES**

For any and all returned checks submitted by the customer to the utility, the customer shall be responsible to reimburse the utility for actual bank charges incurred by the utility for the non-payment of said funds plus a \$20.00 return check charge fee to cover administrative charges of the utility. At the time of this filing the utilities bank charges a \$10.00 charge for customer returned check charge.

#### **CUSTOMERS EQUIPMENT**

All customers must have filter(s), clean out(s), tank(s), service line, and curb stop that shall be located on the customer's property and maintained by the customer. This collection system must meet the specifications as established by the Engineer. The customer shall have the sole responsibility to maintain these items.

#### SPECIAL PRETREATMENT SEWERAGE REQUIREMENTS

For the sewerage connections, in addition to the customary tap fees, the Corporation reserves the right to require any non-residential user to provide special treatment for any high strength effluent before discharge into its sewerage system. The Corporation may, upon the basis of recognized engineering standards and treatment cost, increase the tap fees or flat rate charges to cover the cost of treatment of high strength effluent or industrial waste with the approval of the Authority, and may impose recognized engineering standards as to the maximum size of solids and constituents in such waste discharge into its sewerage system.

#### **DAMAGES**

The Corporation shall in no event be responsible for maintaining any service line owned by the Customer, for damages created by sewage escaping there from, or in defects in lines or fixtures on the property of the Customer. The Customer shall at all times comply with all regulations of the Tennessee Regulatory Authority, and the Corporation, relating to the service lines and shall make all changes in his lines required on account of grade or otherwise. All leaks in any pipe or fixture on the premises of the Customer shall be immediately repaired. On failure to repair any such leak, the service shall be discounted until repairs are made.

#### **IN EVENT OF AN EMERGENCY**

The Corporation shall not be liable to the Customer in interruption in service or for damages or inconvenience as a result of any interruption, stoppage, etc., which was beyond reasonable control of the Corporation.

#### **EXTENSION PLAN**

The Corporation will furnish sewer services to all property owners whose land abuts the trunk or main sewer. The sewer service charges and tap fees included in Appendix I do not include costs for constructing trunk sewers and lift stations. Any collector and/or lateral sewers required to service such abutting properties shall be constructed at the cost of the party desiring it, and these sewers shall become the property of the Corporation to be credited to the account for contribution in aid of construction. If the said desiring party does not wish to construct his own collector and lateral sewers, the Corporation may construct them and charge the developer the total project costs for the same. The desiring party shall obtain at its expense the easement required by the Corporation for any and all collector and/or lateral sewers. Plans for any extensions shall be reviewed and approved by the Engineer prior to construction.

# CONTRIBUTIONS IN AID OF CONSTRUCTION & ADVANCES IN AID OF CONSTRUCTION

If any contribution and/or advances remitted to the utility in aid of construction is treated as taxable revenues by the IRS whether in the form of property or cash, the contributing party shall absorb and/or pay the utility the actual amount of tax liability incurred due to said contribution or advance. The contribution or advance will be equal to the "original cost" if in the form of property or face value if in the form of cash.

#### **CONTRACTS FOR SERVICE**

Each customer before the installation of services shall be required to execute on the appropriate form furnished by the Corporation or its designated representative.

1. An application and contract for service.

#### **CUSTOMER BILLING FORMS**

All customers billings shall be on a standard form whether residential, commercial or industrial.

## EXHIBIT (6)

## **PUBLIC CONTACT**

Mr. Gil King Foothills Utilities, Inc. P.O. Box 307 261 Hannum Street Alcoa, Tennessee 37701

## TENNESSEE REGULATORY AUTHORITY

The utility in its operation shall conform with al the applicable rules and regulations promulgated from time to time by the Tennessee Regulatory Authority.

Original Page No.8

# Foothills Utilities, Inc.

#### MONTHLY SEWER SERVICE BILLING

Residential: Condominium, House, and Apartment:
Monthly Flat rate per connection
Non-Residential: Clubhouse, Restaurant, Motel, Hotel, or Lodge:
Charge per 1,000 gallons (Actual or assumed flow) \$8.74
Minimum monthly charge\$15.00
SEWER CONNECTION FEES:
Residential: \$750.00
Commercial
GENERAL FEES:
Returned Check Charge:
LATE CHARGES:

Failure to pay monthly bill within 30 days of due date, could cause Foothills Utilities Inc. to have the sewer service terminated until bill is paid. A fee of \$15.00 will be charged to cut off sewer and an additional fee of \$15.00 to restore sewer service.

#### PRIVACY POLICY NOTICE

Foothills Utilities, Inc. is required by a new federal law to inform its customers of its policies regarding the privacy of customer information.

In the course of providing our customer with service, we receive significant personal financial information from our customer to approve and extend credit. If you are a customer of, Foothills Utilities, Inc you should know that all information that we receive from you is held in confidence, and is not released to people outside the company, except as agreed to by you, or as required under an applicable law.

We retain records relating our application utility services so that we are better able to assist you with your utility needs and in, some cases, to comply with guidelines. In order to guard your nonpublic personal information, we maintain physical, electronic and procedural safeguards that comply with our standards.

Please ask us if you would like any additional information about these policies pr the manner in which you're confidential information is maintained.

Foothills	Utilities,	Inc.

JOB NO: 200SETP DATE: 01-27-04 CLT PARCEL OWNER: PREPARED FUR: GILL KING

LITTLE RIVER SURVEYING CO 7835 E. LAMAR ALEXANDER PKWY P.O. BOX 358 TOWNSEND, TENNESSEE 37882 865-448-6019 Œ

MICKY YOUNCER BLS 1422

